



## **Through Ezdehar Mid-Cap Fund II: Ezdehar Management (Ezdehar) Announces the Purchase of a 60% Stake in Zahran Market S.A.E (Zahran Market)**

**Cairo, August 2022:** Ezdehar Management (Ezdehar), an Egypt-based private equity firm, announced the purchase of a majority stake at “Zahran Market S.A.E” (Zahran Market) through Ezdehar Mid-Cap Fund II. The investment falls within Ezdehar’s strategy of investing in and supporting mid-cap companies undergoing transformative growth and marks Ezdehar’s entry into the grocery retail sector. Ezdehar Mid-Cap Fund II comprises contributions from several international institutions; foremost among them are the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), The British International Investment (BII), the Dutch Entrepreneurial Development Bank (FMO), the International Financing Corporation (IFC), Egyptian American Enterprise Fund (EAEF), and the Belgian Investment Company for Developing Countries (BIO).

Through the partnership with Ezdehar, Zahran Market aims to further solidify its position as a leading retailer with an established outside-Cairo-presence, serving underpenetrated regions in Egypt including governorates within the Delta and as well as seasonal destinations such as the North Coast.

Zahran Market which was founded as a family business by Eng. Mamdouh Zahran in 1987 in Alexandria, was one of the first movers to the North Coast in 1997 and has now grown to operate 16 branches in 7 governorates across Egypt. In 2016, the second-generation family members, Karim Zahran and Omar Zahran, kicked off a transformation program and embarked on an expansion and institutionalization plan. This included the opening of 8 new branches with a focus on the Delta region, rebranding and renovation of legacy branches, and the set-up of strategic partnerships, among other initiatives. The company has an ambitious expansion plan to increase its footprint across the regions its already operating in, in addition to exploring other regions in Egypt.

In this context, Karim Zahran, the Chief Executive Officer (CEO) of Zahran Market, said: “Today marks a new milestone in the Zahran Market journey. We are excited to be joining forces with Ezdehar to continue our vision in growing the Zahran Market brand across Egypt. This partnership comes as an affirmation of the confidence in the company's performance in the past period, along with our shared vision of the company’s growth prospects.”

On his part, Amir Mishriky, Managing Director at Ezdehar leading the deal said: “Zahran Market’s management team has extensive experience in the retail industry and have managed a successful growth plan over the past 5 years.” He added: “We look forward to this partnership and for us to provide the necessary support to develop the company's management and systems in order to become one of the leaders in the sector.”

Compass Capital played the role of the exclusive sell side advisor to the shareholders of Zahran Market, while Matouk Bassiouny and Hennawy Advocates & Legal Consultants provided legal counsel. ADSERO - Ragy Soliman and Partners provided legal counsel to Ezdehar, while PwC was financial advisor.